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WILLIAM McALISTER, JR. mcalisterb@cox-internet.com

September 4, 2007

Honorable James H. Welsh Commissioner of Conservation Department of Natural Resources Office of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804-9275

RE: Bourg Sand, Reservoir D ORANGE GROVE FIELD

Terrebonne Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of LLOG Exploration Company, L.L.C., to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Bourg Sand, Reservoir D, in the Orange Grove Field, Terrebonne Parish, Louisiana.

- 1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Bourg Sand, Reservoir D, in the Orange Grove Field, Terrebonne Parish, Louisiana.
- 2. To create a single drilling and production unit for this sand and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created.
 - 3. To designate a unit operator and a unit well for the unit so created, as may be appropriate.
- 4. To provide that any future wells drilled to the Bourg Sand, Reservoir D, within or outside of the unit created herein, should be located in accordance with the provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
- 5. To provide that the Commissioner may reclassify the reservoir by supplemental order and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner.
 - 6. To discuss any other matters that may be pertinent to this application.

The Bourg Sand, Reservoir D, in the Orange Grove Field, Terrebonne Parish, Louisiana, is hereby defined as being that gas and condensate bearing sand encountered between 12,356' and 12,478' electric log measured depths (12,170' and 12,292' true vertical depths) in the LLOG Exploration Company, L.L.C. - Wylie Corporation No. 1 Well, located in Section 89, Township 17 South, Range 16 East, Terrebonne Parish, Louisiana

In addition to furnishing the legal notice to all Interested Parties, the applicant will provide for <u>POSTING</u> of the legal notice of the hearing and unit plat in a prominent place in the area of the Orange Grove Field, Terrebonne Parish, Louisiana, and will cause the legal notice of the hearing to be <u>PUBLISHED</u> in a newspaper of general circulation published in the vicinity of the Orange Grove Field, Terrebonne Parish, Louisiana, at least fifteen (15) days before the hearing date.

Any pertinent data relating to the subject application can be obtained, **AT THE COST OF THE REQUESTING PARTY**, from Mr. Bill McAlister at Leon E. Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505 (337-233-9839).

In compliance with the Rules of Procedure, a preapplication conference was held in Lafayette, Louisiana, on August 17, 2007 at which the parties named on the attached list were in attendance.

The conference was opened with a discussion by Mr. Bill McAlister, representing LLOG Exploration Company, L.L.C., concerning the nature and purpose of the conference and the bases for the applicant's proposed unit.

Mr. Bob Duplantis and Mr. Bill Robbins, representing Michael St. Martin, presented a counterplan which extended further east than the applicant's. Mr. Jim Hardwick, representing Robichaux, presented a counterplan which extended further east and not as far north as the applicant's. Mr. Charles Smith, representing Wylie Heirs, presented a counterplan which did not extend as far east as the applicant's.

On behalf of LLOG Exploration Company, L.L.C., enclosed herewith is a revised unit plat for the BOURG RD SUA. A conference to discuss this revised unit proposal is hereby scheduled for 10:00 A.M. on Wednesday, September 12, 2007, at the Offices of Leon E. Comeaux & Associates, 305 LaRue France, Lafayette, Louisiana (337-233-9839). There is no requirement for persons receiving this notice to attend or be represented at this conference. This is merely an invitation to all known Interested Parties to attend the conference should they so desire.

There are attached hereto and made a part hereof a revised plat outlining the proposed unit, the conference attendance list, and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, said list of parties will be provided to any party requesting a copy. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is enclosed our check on behalf of the applicant, LLOG Exploration Company, L.L.C., in the sum of \$755.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON F. COMEAUX & ASSOCIATES

Bill McAlister

BM/cu Enclosures

cc: Mr. Richard Hudson Office of Conservation 825 Kaliste Saloom Rd. Brandywine III, Suite 220 Lafayette, Louisiana 70508

Interested Parties, Interested
Owners and Represented Parties

